



May 10, 2006

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JOYCE CROSTHWAITE
Executive Officer

TO: Local Agency Formation Commission

FROM: Executive Officer
Project Manager

SUBJECT: Proposed "ID-1 (IRWD ID-253) Annexation to the Orange County Sanitation District" (DA 06-09)

APPLICANT

Irvine Ranch Water District and Santiago County Water District, by similar Resolutions of Application with a Resolution of Concurrence from the Orange County Sanitation District and with property owner consent.

PROPOSAL

The application requests LAFCO to consider the annexation of approximately 13,237 acres of uninhabited territory to the Orange County Sanitation District. The subject area encompasses the boundaries of the Santiago County Water District Improvement District -1 (SCWD ID -1). Annexation of area to the Orange County Sanitation District will allow for wastewater from the area to be treated using IRWD's capacity in OCSD's facilities under existing agreements between the two districts.

INFORMATION

The proposed annexation area is part of the territory included in the consolidation of the Irvine Ranch Water District (IRWD) and the Santiago County Water District (SCWD) approved by the Commission on April 12, 2006 which is effective July 1, 2006. On July 1, 2006, SCWD ID-1 will become IRWD ID 153 (water)/253 (sewer) under the terms of the district consolidation.

The sphere of influence for OCSD was amended in April, 2006 to include the SCWD ID-1 (IRWD ID-253) territory in anticipation of the subject annexation request. The proposed action will make the OCSD service area boundary consistent with its sphere of influence in this area. Additionally, in December, 2005 a 105-acre portion of the SCWD ID-1 was detached from SCWD territory and annexed to IRWD and OCSD under the East Orange Planning Area 1 Reorganization RO 04-16. This subject

proposal includes annexation of the remaining portions of the improvement district territory.

LOCATION

The proposed annexation area is generally located in the vicinity of Irvine Lake and Santiago Canyon Road, extending north to the Orange County/Riverside County boundary and east to include portion of unincorporated Silverado, Modjeska, Santiago, Black Star and Baker canyon areas of Orange County. Please see the attached location map (Attachment A).

LAND USE

The subject territory includes existing open space land uses and the proposed East Orange Lake Village residential and recreation development use areas. Existing surrounding land use is open space and sparsely populated canyon area residential development.

ENVIRONMENTAL REVIEW

As lead agency for the annexation, on March 27, 2006, the IRWD Board adopted a resolution authorizing an application for annexation of Improvement District No. 1 of the Santiago County Water District and approving an addendum to the County Sanitation District No. 14 Environmental Impact Report (EIR) to facilitate the annexation. Addendum No. 1 to the final EIR for the formation of County Sanitation District No. 14 and proposed reorganization of District No. 79 involving reorganization of County Sanitation Districts No. 7 and 13. The addendum concluded that none of the conditions requiring the preparation of a subsequent EIR have occurred. There are no new significant environmental effects that weren't already addressed in the District No. 14 EIR and no substantial increases in the severity of previously identified significant effects that require preparation of a subsequent EIR. In addition, no "new information of substantial importance" meeting the criteria of CEQA guidelines section 15162 (a) (3) has surfaced that would require preparation of a subsequent EIR. (A copy of the final EIR is available in the LAFCO office for the Commission's review.)

PROPERTY TAX

No property tax exchange will occur as a result of this proposal pursuant to the Master Property Tax Agreement adopted by the Board of Supervisors for enterprise district reorganization proposals.

RECOMMENDATIONS

Staff recommends that the Commission:

1. Certify that it has reviewed and considered the information contained in the Final EIR for the County Sanitation District No. 14 as well as Addendum No. 1

to the final EIR prepared by the Irvine Ranch Water District as the lead agency (Attachment B).

2. Adopt the resolution approving the ID-1 (*IRWD ID-253*) Annexation to the Orange County Sanitation District" (DA 06-09) attached as Attachment C. LAFCO waives conducting authority proceedings pursuant to Government Code Section 56663. Approval is subject to the following terms and conditions:
 - a) Payment of Recorder and State Board of Equalizations fees.
 - b) The applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any actions relating to or arising out of such approval.
 - c) Recordation of the annexation is subject to receipt of a certified map and legal description.
 - d) Assuming certification of the map and legal description for the subject annexation, the effective date shall be the July 1, 2006.


Respectfully submitted,

JOYCE CROSTHWAITE


KIM KOEPPEN

Attachments: A. Location Map
 B. Addendum to EIR
 C. Draft LAFCO Resolution


Proposed Annexation to the Orange County Sanitation District




105 ACRE DEVELOPMENT AREA DETACHED FROM
SCWD AND ANNEXED TO IRWD AND OCSD BY
12/14/05 LAFCO ACTION (ID 153/253 FORMATION)

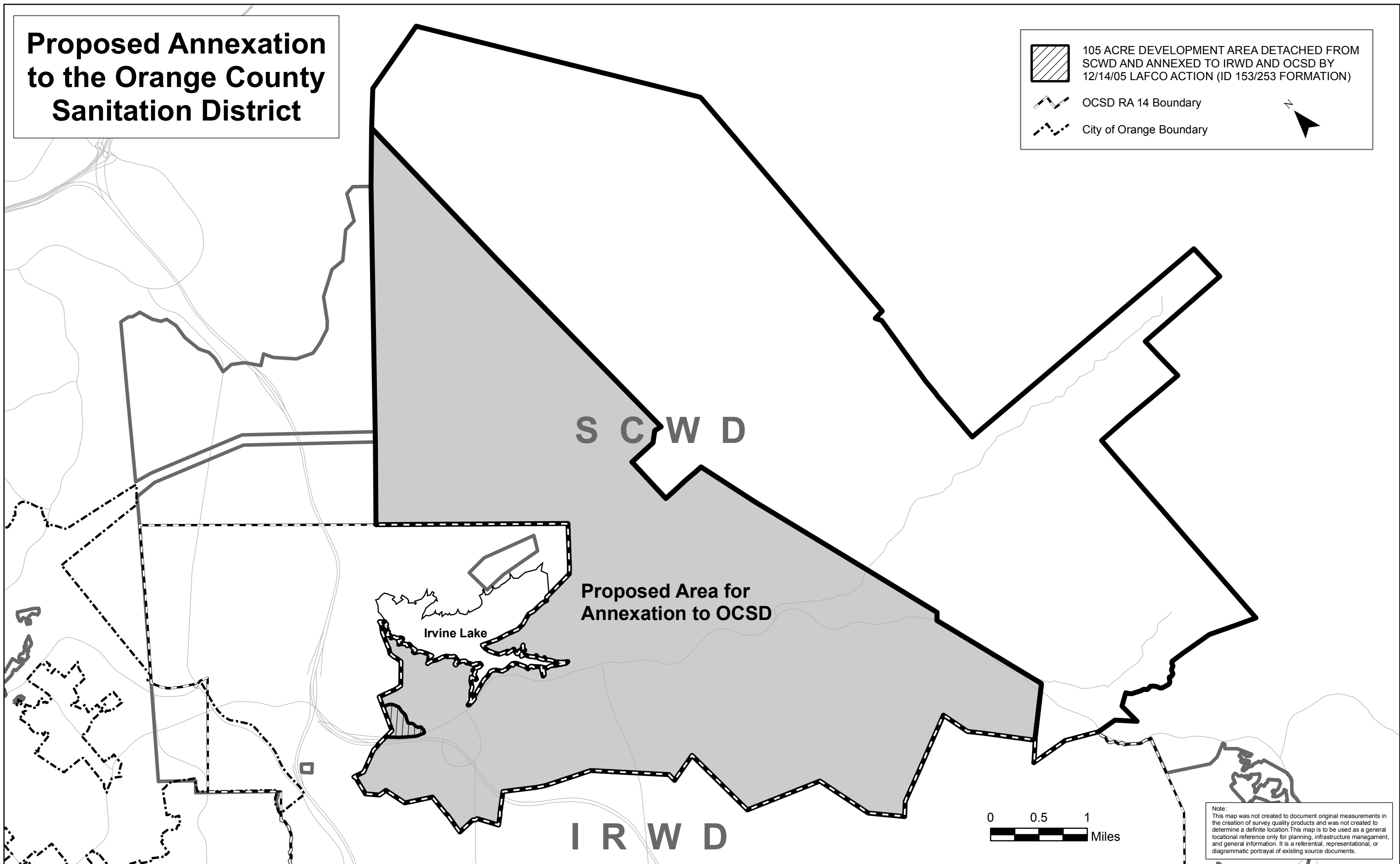


OCSD RA 14 Boundary



City of Orange Boundary





**ADDENDUM NO. 1 TO THE FINAL
ENVIRONMENTAL IMPACT REPORT
FOR FORMATION OF SANITATION
DISTRICT NO. 14 AND PROPOSED
REORGANIZATION NO. 79 INVOLVING
REORGANIZATION OF COUNTY
SANITATION DISTRICTS NOS. 7 AND 13**

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1.0 INTRODUCTION

1.1 BACKGROUND

The Orange County Sanitation District (OCWD) and Irvine Ranch Water District (IRWD) have prepared this Addendum No. 1 to the Environmental Impact Report (EIR) for Formation of County Sanitation District No. 14 and Proposed Reorganization No. 79 Involving Reorganization of County Sanitation Districts Nos. 7 and 13 pursuant to the California Environmental Quality Act (CEQA) and the CEQA Guidelines. This Addendum addresses annexation of Improvement District No. 1 of the Santiago County Water District into Revenue Area No. 14 of the Orange County Sanitation District.

1.2 PROJECT OVERVIEW

The 1985 Final Environmental Impact Report for Formation of County Sanitation District No. 14 and Proposed Reorganization No. 79 Involving Reorganization of County Sanitation Districts Nos. 7 and 13 (EIR) addressed the formation of a new sanitation district to allow the IRWD master plan area to be served by the regional facilities of OCSD and to allow portions of existing sanitation districts Nos. 7 and 13 to be served more efficiently through sharing of new and existing trunk sewer capacity in newly formed sanitation district.

Reorganization No. 79 included the following actions:

1. Inclusion of approximately 59,000 acres of area within IRWD in OCSD as District No. 14 (now called Revenue Area No. 14).
2. Minor changes in the existing District No. 7 service area.
3. Minor changes in the District No. 13 service area.
4. Establishment of a sphere of influence for District No. 14 to include a part of the unincorporated portion of the County of Orange currently within the IRWD sphere of influence and a portion of SCWD known as SCWD Improvement District No.1 (ID No. 1).
5. Allowing sewer pipe installations to occur anticipating all future flows from the areas to be served, including the sphere of influence, to avoid future reconstructions of the sewerage pipes in the street within the area.

Projected wastewater flows from the proposed District No. 14 were estimated in the EIR to be 32.0 mgd during November through March and 17.0 mgd during the rest of the year. The seasonal difference in flows was attributed to the increased reclaimed water demand during the drier months. An additional 4.9 mgd was estimated in the EIR for the ID No. 1 proposed sphere of influence area.

A portion of ID No. 1 comprising 105 acres (now designated Improvement District No. 253 of IRWD) was previously annexed to OCSD and IRWD. This Addendum No.1 evaluates the proposed annexation of the remaining portion of ID No. 1 to OCSD identified in the original EIR. Estimated average wastewater flows from the original RA No. 14 area are now estimated to be 7.26 mgd at build out in 2025. Daily average flows during the low reclaimed water demand months are estimated

to be 11.94 mgd. This does not include 3.69 mgd from the Irvine Business Complex and other areas of IRWD that flow directly to OCSD but are not metered at the Main Street Pumping Station. Wastewater flows from the previously annexed 105-acre portion of ID No. 1 are also estimated to average 0.08 mgd year round. Wastewater flows from the area to be annexed under this Addendum No.1 (ID No. 1) are estimated to average 0.38 mgd. The sum of wastewater flows from the current District No. 14 area, the recently annexed portion of ID No.1, and the proposed annexation area of ID No. 1 will range seasonally from 7.72 mgd to 12.40 mgd on an average daily basis. These total combined flow estimates for the annexation area and the current District No. 14 service area are considerably lower than the flow estimates in the EIR. These lower flow estimates are the result of less intense development in the District No. 14 and ID No. 1 areas and increased water reclamation by IRWD.

1.3 PREVIOUS ENVIRONMENTAL DOCUMENTATION

The following environmental documents have been prepared in support of the annexation of ID No. 1 to OCSD.

Final Environmental Impact Report (1985)

The 1985 Final EIR (FEIR) examined the impacts of the project, which included the formation of a new sanitation district to allow the IRWD master plan area to be served by the regional facilities of OCSD and to allow portions of existing sanitation districts Nos. 7 and 13 to be served more efficiently through sharing of new and existing trunk sewer capacity in newly formed sanitation district

1.4 PURPOSE OF ADDENDUM 1

The 1985 Final Environmental Impact Report for Formation of County Sanitation District No. 14 and Proposed Reorganization No. 79 Involving Reorganization of County Sanitation Districts Nos. 7 and 13 (EIR) addressed the formation of a new sanitation district to allow the IRWD master plan area to be served by the regional facilities of OCSD and to allow portions of existing sanitation districts Nos. 7 and 13 to be served more efficiently through sharing of new and existing trunk sewer capacity in newly formed sanitation district.

The OCSD and IRWD are proposing to annex additional lands to OCSD that were identified in the 1985 FEIR to be within the OCSD sphere of influence. This requires the preparation of Addendum 1 to the 1985 FEIR. The Lead Agency for Addendum 1 will be IRWD, and OCSD will be the Responsible Agency, as defined by CEQA. Although additional lands are proposed to be annexed to OCSD, the total flow tributary to OCSD projected in the FEIR is substantially reduced.

When a proposed project is changed or there are changes in the environmental setting, a determination must be made by the Lead Agency as to whether an Addendum or Subsequent EIR is prepared. Criteria, as set forth in CEQA Guidelines Section 15162, are used to assess which environmental document is appropriate. The criteria for determining whether an Addendum or Subsequent EIR is prepared are outlined below. If the criteria below are true, then an Addendum is the appropriate document:

-
- No new significant impacts will result from the project or from new mitigation measures.
 - No substantial changes have occurred with respect to the circumstances under which the project was originally proposed and the FEIR was certified; therefore it will not require major revisions to the FEIR since no new significant environmental effects and no substantial increase in the severity of previously identified impacts will occur.
 - No substantial increase in the severity of environmental impact will occur.
 - No new feasible alternatives or mitigation measures that would reduce impacts previously found not to be feasible have, in fact, been found to be feasible.

Section 15164 of the State CEQA Guidelines states that an Addendum to an EIR or Negative Declaration shall be prepared “if some changes or additions are necessary, but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.” This Addendum reviews the changes proposed by the project and any changes to the existing conditions that have occurred since the FEIR was certified. It also reviews any new information of substantial importance that was not known and could not have been known with exercise of reasonable diligence at the time that the FEIR was certified. It further examines whether, as a result of any changes or any new information, a subsequent EIR may be required. This examination includes an analysis of the provisions of Section 21166 of CEQA and Section 15162 of the State CEQA Guidelines and their applicability to the proposed project. IRWD reviewed information regarding the annexation under consideration and determined that none of the conditions requiring preparation of a subsequent or supplemental EIR applied. Based upon the information provided in Sections 2.0 and 3.0 of this document, the proposed modifications will not result in new significant impacts or substantially increase the severity of impacts previously identified in the FEIR, and there are no previously infeasible alternatives or mitigation measures that are now feasible. Therefore, an Addendum is appropriate, and Addendum No. 1 has been prepared to address the environmental effects of the refinements to the project.

1.5 CONCLUSIONS

Addendum No. 1 addresses the environmental effects associated only with the proposed annexation. The conclusions of the analysis in this Addendum are not substantially different from those made in the FEIR. The same unavoidable significant impacts identified in the FEIR remain. No new significant impacts will result and no substantial increase in severity of impacts will result from those previously identified in the FEIR. This is confirmed by the City of Orange SEIR for the Santiago Hills II and East Orange Planned Communities (SCH #1988110905).

2.0 Description of Modifications to the Project

2.1 MODIFICATION TO THE PROJECT

The following discussion describes the annexation and how it modifies the project in greater detail. Figure 1 depict the area to be annexed, and Table 1 indicates estimated flow projections.

2.1.1 Background

The Orange County Sanitation District (OCSD) and Irvine Ranch Water District (IRWD) have prepared this Addendum No. 1 to the Environmental Impact Report (EIR) prepared for the project designated “Formation of County Sanitation District No. 14 and Proposed Reorganization No. 79 Involving Reorganization of County Sanitation Districts Nos. 7 and 13,” pursuant to the California Environmental Quality Act (CEQA) and the CEQA Guidelines. This Addendum addresses annexation of the remaining portion of Improvement District No. 253 of IRWD (formerly, Improvement District No. 1 of the Santiago County Water District (SCWD)) into Revenue Area No. 14 of the Orange County Sanitation District.

2.1.2 Project Overview

The EIR addressed the formation of a new sanitation district to allow the IRWD master plan area to be served by the regional facilities of OCSD and to allow portions of existing sanitation districts Nos. 7 and 13 to be served more efficiently through sharing of new and existing trunk sewer capacity in newly formed sanitation district.

Reorganization No. 79 included the following actions:

1. Inclusion of approximately 59,000 acres of area within IRWD in OCSD as District No. 14 (now called Revenue Area No. 14).
2. Minor changes in the existing District No. 7 service area.
3. Minor changes in the District No. 13 service area.
4. Establishment of a sphere of influence for District No. 14 to include a part of the unincorporated portion of the County of Orange currently within the IRWD sphere of influence and a portion of SCWD known as SCWD Improvement District No.1 (ID No. 1).
5. Allowing sewer pipe installations to occur anticipating all future flows from the areas to be served, including the sphere of influence, to avoid future reconstructions of the sewerage pipes in the street within the area.

Projected wastewater flows from the proposed District No. 14 were estimated in the EIR to be 32.0 mgd during November through March and 17.0 mgd during the rest of the year. The seasonal difference in flows was attributed to the increased reclaimed water demand during the drier months. An additional 4.9 mgd was estimated in the EIR for the ID No. 1 proposed sphere of influence area.

A portion of ID No. 1 comprising 105 acres (now designated Improvement District No. 253 of IRWD) was previously annexed to OCSD and IRWD. This Addendum No.1 evaluates the proposed completion of the annexation of ID No. 1 to OCSD as envisioned in the original EIR. Estimated average wastewater flows from the original RA No. 14 area are now estimated to be 7.26 mgd at build out in 2025. Daily average flows during the low reclaimed water demand months are estimated to be 11.94 mgd. Wastewater flows from the previously annexed 105-acre portion of ID No. 1 are estimated to average 0.08 mgd year round. Wastewater flows from the remaining portion of ID No. 1 are estimated to average 0.38 mgd. The sum of wastewater flows from the original District No. 14 area, the recently annexed portion of ID No.1 and the proposed annexation area of ID No. 1 thus

ranges seasonally from 7.72 mgd to 12.40 mgd . These total combined flow estimates for the annexation area and the original District No. 14 service area are considerably lower than the flow estimates in the EIR for the original service area of District No. 14 alone, and none of the additional flow amounts originally contemplated for the annexation of the ID No. 1 area will be generated. These lower flow estimates are the result of less intense development in the District No. 14 and ID No. 1 areas and increased water reclamation by IRWD.

Table 1
FLOW PROJECTIONS (mgd)

FEIR Projections			Current District 14 Projections					
	District 14		MWRP Area	HATS Area	ID Annexation Area	Remainder of ID 1	Sludge and Carriage Water from MWRP	Totals
Average Annual	32		0	8.95	0.08	0.38	2.56	11.97
Seasonal Peak*			4.56	8.95	0.08	0.38	2.1	16.07
Peak Hour(1)	NA		7.43	13.82	0.18	0.76	NA	

*Due to seasonal variations in reclaimed water production at MWRP.

3.0 ENVIRONMENTAL EFFECTS OF MODIFICATIONS TO THE PROJECT

This section identifies any environmental impacts that may differ from the impacts originally identified in the 1985 FEIR. There have been no substantial changes to the regulations and the circumstances under which the proposed project is being undertaken. Planning horizons and dwelling unit densities have been modified (i.e., reduced) since certification of the FEIR in 1985. These developments reflect the type and intensity of uses identified in the City's General Plan and do not represent a substantial change to the environmental baseline condition. Additionally, there has been no substantial change in the regulatory environment identified in the FEIR since its certification.

As discussed below, the modifications to the project will not result in substantial new impacts or new mitigation measures due to the considerable reduction in projected flows. An Initial Study Checklist has been prepared and is included as Appendix A. The IS concludes that No Impact will occur as a result of the modifications to the project.

Schedule

IRWD expects to complete the administrative record regarding the annexation (including the following discretionary actions: CEQA actions, LAFCO approval, SCWD approval, OCWD approval, and OCSA approval) by April 30, 2006.

4.0 EXISTING ENVIRONMENTAL SETTING

This section corresponds to the same section in the 1985 FEIR, which describes the whole of the project in detail. As summarized in Chapter 1.0, Sections 1.2 and 1.4, the proposed action would not result in changes to the physical environment beyond those already analyzed in the 1985 FEIR. As depicted on (HOOIHAN MAP REF HERE), the proposed annexation is an action taken to most effectively serve the remaining portion of Improvement District No. 1. This addendum completes the originating analysis in the FEIR. As envisioned, ID 1 was to be included within the proposed sphere of influence of District No. 14, in order to receive service using both IRWD's Michelson Water Reclamation Plant and capacity in OCSA's regional treatment facilities. This optimizes reclaimed water service by IRWD in a manner consistent with IRWD's current provision of service throughout District No. 14.

While no changes to the physical environment would be necessary to complete the proposed annexation, the previous environmental documentation did describe the facilities that would be

serving the anticipated flows. Because those flow projections have been considerably reduced, no new facilities would be proposed beyond those currently serving the project area.

5.0 EFFECTS OF MODIFICATIONS TO THE PROJECT

The annexation provides an administrative mechanism to efficiently and effectively serve the remaining un-annexed area in ID No. 1. Because flows from RA 14 will be considerably reduced from those envisioned and analyzed in the 1985 FEIR, including those from ID 1, any environmental effects would also be reduced, eliminating any potential significant effect. Based on this conclusion and on the Initial Study Checklist, this Addendum's discussion of the effects of the proposed annexation upon the previously evaluated project is focused on the impacts analyzed in the 1985 FEIR. (Accordingly, the sections below correspond to *Operational Impacts and Mitigation Measures* in the 1985 FEIR. It should be noted that minor numeration errors occurred in the original document. Numeration of the sections below adhere to a corrected sequence.)

5.1 Projected Wastewater Flows and Line Capacity

The EIR evaluated a pipeline capacity of 45 mgd based upon District No. 14's anticipated flow of 32 mgd, uncertainties, standard engineering practices for OCSD trunk sewers, the conclusion that a larger diameter will result in no greater magnitude of impacts except for a slightly larger excavation, and the larger diameter's preclusion of the additional construction impacts of future parallel pipelines. The District No. 14 flow with the annexation will be well below the 32 mgd estimated in the EIR, and therefore, the annexation will have no effect upon pipeline capacity.

5.2 Waste Discharge Requirements

The EIR evaluated the impact of the District No. 14 formation upon OCSD's NPDES discharge requirements, which at that time were based upon a 301(h) modified NPDES permit, precluding the need to meet federal secondary treatment requirements for ocean discharge. The EIR concluded that if permit modifications were approved, District No. 14's requirement to be responsible for its regular share of the costs of treatment and disposal as a member of the joint works system or, if necessary, limitations upon flows, would assure compliance with such permit. Currently, OCSD is implementing full secondary treatment. District No. 14 remains subject to the same cost-sharing requirements as originally contemplated.

As stated above, the substantial reduction in flows from the combined District No. 14 service area and annexation area are below the flow estimates evaluated in the EIR for the District No. 14 service area alone (without the annexation area). This would result in a corresponding reduction in waste discharge from that evaluated in the EIR. This reduction, coupled with the reduced environmental impacts as a result of full secondary treatment, results in the annexation having a lesser impact than was evaluated in the EIR.

5.3 Solids and Sludge Handling

Consistent with current practice and with the 1985 FEIR, IRWD is not a solids and sludge handling agency, but conveys sludge removed during the wastewater reclamation treatment to OCSD for final disposal. The action to annex the remaining portion of ID 1 does not affect, and is not affected by, the current method of solids and sludge handling and disposal. It is not anticipated that total conveyed solids and sludge would significantly increase as a result of the annexation.

5.4 Ocean Outfall

The EIR concluded that because of IRWD's EPA-approved industrial source control program implemented in coordination with OCSD, and the NPDES permit requirements which continue to govern OCSD, including District No. 14, the formation of District No. 14 would not be expected to have a significant impact on the OCSD outfalls. Upon annexation, the annexation area would become subject to such requirements.

As stated above, the substantial reduction in flows from the combined District No. 14 service area and annexation area are below the flow estimates evaluated in the EIR for the District No. 14 service area alone (without the annexation area). This would result in a corresponding reduction upon OCSD's ocean outfall requirements.

5.5 Summary of Operational Impacts

The EIR examined the impacts of adding the District No. 14 flows to OCSD's projected flows, upon operational impacts such as energy use, chemical use, transportation requirements, air pollutant emissions and residue disposal. These were evaluated at a District No. 14 flow of 15 mgd, increasing to 32 mgd. Reduced development intensity generally for RA 14, and specifically for the remaining portion of ID 1, would result in a substantially reduced percentage of the operational requirements identified in the 1985 FEIR.

As stated above, the substantial reduction in flows from the combined District No. 14 service area and annexation area are below the flow estimates evaluated in the EIR for the District No. 14 service area alone (without the annexation area). This would result in a corresponding reduction in the EIR's projected operational impacts.

5.6 Operational Mitigation Measures

The primary mitigation to address operational issues, such as odor control, energy generation, industrial source control, landscaping, vehicle access, energy conservation, are the financial projections and instruments identified in the 1985 FEIR. In addition, the EIR concluded that water conservation enforced by IRWD would augment those mitigation measures. Those projections, funding mechanisms, and infrastructural investment have been in place over the duration since the 1985 FEIR. Stringent water conservation measures and practices have become more sophisticated and effective since those that were implemented on a voluntary basis in 1985. No changes would occur as a result of the annexation.

The 1985 FEIR addressed the capital construction, replacement, and operation and maintenance costs based on future projections for formation of District 14 (RA 14). No new analysis is warranted by the annexation action. It is presumed that present-day costs have been reduced as a result of the substantially reduced District No. 14 flow projections described above. However, the Orange County Sanitation District recognizes that emergency events may occur on a temporary basis requiring short term higher than anticipated flows.,

5.7 Michelson Water Reclamation Plant Operations

MWRP is an 18 mgd rated water reclamation plant. Increasing demand for reclaimed water within the IRWD will necessitate the expansion of MWRP. Under a separate CEQA document (Michelson Water Reclamation Plant Phase 2 and 3 Capacity Expansion Project Environmental Impact Report) that expansion has been analyzed for impacts. The annexation will not adversely affect the optimization of reclamation at MWRP, because the annexed area will be included in both District No. 14 and IRWD, thereby expanding the area that can be served by both the MWRP and OCSD plants.

The combination of increasing reclaimed water demands, expanded MWRP, and reduction in ultimate flow projections in RA 14 will result in the most efficient method for wastewater treatment and disposal options. The annexation action would not affect, or be affected by, MWRP operations.

5.8 Sand Canyon Reservoir (Reclaimed Water Storage Reservoirs)

The EIR concluded that the formation of District No. 14 would have a beneficial effect in terms of the reduced potential for winter releases of reclaimed water from Sand Canyon Reservoir, by providing IRWD with a means of winter excess wastewater disposal to the OCSD joint works facilities. In addition to the implementation of the District No. 14 formation and the connection to the joint works, since the time of the certification of the EIR IRWD has converted the San Joaquin Reservoir to reclaimed water storage, thereby increasing its seasonal storage capacity. IRWD owns and operates three reclaimed water storage reservoirs: Sand Canyon Reservoir, Rattlesnake Reservoir, and San Joaquin Reservoir. Efficient use of reclaimed water remains a high priority for IRWD. IRWD's augmented storage and subsequent reuse of reclaimed water limits releases into the watershed and downstream resources such as the Upper Newport Bay. The annexation action would not affect, or be affected by, the continued use of these reservoirs.

6.0 Construction Impacts and Mitigation Measures—Treatment Plant Sites

The agreement between County Sanitation Districts of Orange County (hereafter OCSD) and IRWD signed on March 13, 1985 for the formation of District 14 states that a planned flow of 32 mgd will be accepted by OCSD for treatment and disposal. This was the projected flow expected to be the average annual IRWD flow in the year 2030 or thereafter. To the extent that the revised projected reduction in flows reduce the need for new and upgraded facilities, it can reasonably be concluded that construction impacts would correspondingly be reduced.

6.1 Capital Improvements Required for Proposed Flows

Construction of facilities necessary to serve the project have either been constructed or are under consideration for construction as described and analyzed in the 1985 FEIR. Modifications to the project presume that revised projections for reductions in flow correspond to, and will result in, reduced construction impacts for those facilities yet to be constructed.

6.2 JWTF Capital Improvements Needed to Accommodate District 14 Flows

Formation of District 14 and purchase of treatment capacity for handling up to 32 mgd of wastewater flow diverted from the Michelson Water Reclamation Plant to OCSD necessitated changes to the facilities existing at the time of the original agreement. The original agreement established terms of a planned 15 mgd flow through a year 2000 horizon. Present flows to OCSD average approximately 14 mgd. A subsequent and revised document and the 1999 Orange County Sanitation Districts Strategic Plan established and analyzed the capacity needs as originally envisioned in the 1985 FEIR, and impacts associated with the expansion of existing facilities owned and operated by OCSD. Consequently, no new or non-analyzed impacts are associated with the proposed action, changes in service, or terms of agreement between agencies.

7.0 Construction Impacts and Mitigation Measures—Baker Street Force Main Route

Section 7.0 has been eliminated from further study or analysis. The Baker Street Force Main has been constructed and is not affected by the annexation action. Since the flows from RA 14 are less than originally anticipated, no reconstruction would be required.

8.0 Financial Implications

The 1985 FEIR addressed the capital construction, replacement, and operation and maintenance costs based on future projections for formation of District 14 (RA 14). No new analysis is warranted by the annexation action. It is presumed that present-day costs have been substantially reduced as a result of the reduced flow projections described above.

9.0 Secondary Impact Evaluation

Section 9.0 of the 1985 FEIR primarily addressed the issue of population growth and its relationship to infrastructure needs. Long range development plans for the westerly half of SCWD are based largely upon plans developed by the Irvine Company. This 13,500-acre region is anticipated to contain an ultimate residential population of 41,400 (16,805 dwelling units), as well as a variety of commercial uses (Table 9-3, 1985 FEIR). Current projections for the area estimate approximately 1350 dwelling units and a population of 4,000.

Cumulative Secondary Effect of the Proposed Reorganization

The reorganization and formation of RA 14 did not result in new growth. IRWD does not have jurisdictional authority over development and population growth decisions. The substantial reduction in projected growth in the ID 1 area is a result of decisions made by the local jurisdictions having such authority.

10.0 Alternatives to the Proposed Project

No alternatives previously deemed infeasible will become feasible, due to the substantial reduction in flows from the combined District No. 14 service area and annexation area below the flow estimates evaluated in the EIR for the District No. 14 service area alone (without the annexation area).

11.0 Irreversible and Irretrievable Commitment of Energy Supplies and Other Resources Should the Project be Implemented

No commitment of energy supplies or other resources will be worsened as a result of the annexation, and some of such impacts will potentially be lessened, due to the substantial reduction in flows from the combined District No. 14 service area and annexation area below the flow estimates evaluated in the EIR for the District No. 14 service area alone (without the annexation area).

12.0 Relationship Between Local Short-Term Uses of the Environment and the Maintenance and Enhancement of Long-Term Productivity

No relationship between short-term uses and long-term productivity will be worsened as a result of the annexation, and some of such impacts will potentially be lessened, due to the substantial reduction in flows from the combined District No. 14 service area and annexation area below the flow estimates evaluated in the EIR for the District No. 14 service area alone (without the annexation area).

13.0 Unavoidable Adverse Impacts

No unavoidable adverse impact will be worsened as a result of the annexation, and some of such impacts will potentially be lessened, due to the substantial reduction in flows from the combined District No. 14 service area and annexation area below the flow estimates evaluated in the EIR for the District No. 14 service area alone (without the annexation area).

APPENDIX A - INITIAL STUDY CHECKLIST

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
I. AESTHETICS -- Would the project:				
a) Have a substantial adverse effect on a scenic vista?				x
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				x
c) Substantially degrade the existing visual character or quality of the site and its surroundings?				x
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				x
II. AGRICULTURE RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				x
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				x
c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?				x
III. AIR QUALITY -- Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?				x
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				x

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?				X
d) Expose sensitive receptors to substantial pollutant concentrations?				X
e) Create objectionable odors affecting a substantial number of people?				X
IV. BIOLOGICAL RESOURCES -- Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?				X
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X
V. CULTURAL RESOURCES -- Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in Sec.15064.5?				X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to Sec.1506				X

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				x
d) Disturb any human remains, including those interred outside of formal cemeteries?				x
VI. GEOLOGY AND SOILS -- Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				x
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				x
ii) Strong seismic ground shaking?				x
iii) Seismic-related ground failure, including liquefaction?				x
iv) Landslides?				x
b) Result in substantial soil erosion or the loss of topsoil?				x
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				x
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				x
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?				x
VII. HAZARDS AND HAZARDOUS MATERIALS Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				x
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				x
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste				x

within one-quarter mile of an existing or proposed school?				
	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				x
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				x
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				x
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				x
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				x
VIII. HYDROLOGY AND WATER QUALITY -- Would the project:				
a) Violate any water quality standards or waste discharge requirements?				x
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				x
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				x
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				x

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?				x
f) Otherwise substantially degrade water quality?				x
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				x
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				x
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				x
j) Inundation by seiche, tsunami, or mudflow?				x
IX. LAND USE AND PLANNING - Would the project:				
a) Physically divide an established community?				x
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				x
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				x
X. MINERAL RESOURCES -- Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				x
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				x

XI. NOISE Would the project result in:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				x
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?				x
	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				x
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				x
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				x
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				x
XII. POPULATION AND HOUSING -- Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				x
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				x
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				x
XIII. PUBLIC SERVICES				
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for				

new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
Fire protection?				x
Police protection?				x
Schools?				x
Parks?				x
Other public facilities?				x
XIV. RECREATION --				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				x
	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				x
XV. TRANSPORTATION/TRAFFIC -- Would the project:				
a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?				x
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?				x
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				x
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				x
e) Result in inadequate emergency access?				x
f) Result in inadequate parking capacity?				x
g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?				x
XVI: UTILITIES AND SERVICE SYSTEMS--				

a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				x
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				x
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				x
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				x
	Potentially Significant Impact	Less Than Significant with Mitigation Incorporation	Less Than Significant Impact	No Impact
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project projected demand in addition to the provider existing commitments?				x
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				x
g) Comply with federal, state, and local statutes and regulations related to solid waste?				x
XVII. MANDATORY FINDINGS OF SIGNIFICANCE --				x
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				x
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a				x
				x

project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?				
c) Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?				x

DA 06-09

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF ORANGE COUNTY, CALIFORNIA
MAKING DETERMINATIONS AND APPROVING
IMPROVEMENT DISTRICT NO. 1 (IRWD ID-253) TO THE
ORANGE COUNTY SANITATION DISTRICT**

May 10, 2006

On motion of Commissioner _____, duly seconded and carried, the following resolution was adopted:

WHEREAS, the proposed annexation to the Orange County Sanitation District, designated as "Improvement District No. 1 (IRWD ID-253) to the Orange County Sanitation District" (DA 06-09), was heretofore filed with and accepted for filing on May 3, 2006 by the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 et seq. of the Government Code; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56658 set May 10, 2006 as the hearing date of this proposal; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56665 has reviewed this proposal and prepared a report including her recommendation thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, this Commission on May 10, 2006, considered the proposal and the report of the Executive Officer, and considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56668; and

WHEREAS, this Commission called for and held a public hearing on the proposal on May 10, 2006, and at the hearing, this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, information satisfactory to this Commission has been presented that all the

ATTACHMENT C

owners of land within the proposed territory have given their written consent to the annexation;
and

WHEREAS, this Commission has fulfilled its obligations as a responsible agency as defined by the California Environmental Quality Act and has reviewed and considered the Environmental Impact Report (EIR) for County Sanitation District No. 14, as well as Addendum No. 1 to the final EIR for the formation of County Sanitation District No. 14 and proposed reorganization of District No. 79 involving reorganization of County Sanitation Districts No. 7 and 13, both adopted by the Irvine Ranch Water District, and has made findings pursuant to Section 15096 of the State CEQA Guidelines.

NOW, THEREFORE, the Local Agency Formation Commission of the County of Orange based on the findings, discussion and conclusions set forth in the Executive Officer's report, which is incorporated herein by this reference, DOES HEREBY RESOLVE, DETERMINE and ORDER as follows:

Section 1. Pursuant to Section 15096 of the State CEQA Guidelines, the Commission has considered the EIR for County Sanitation District No. 14, as well as Addendum No. 1 to the final EIR for the formation of County Sanitation District No. 14 and proposed reorganization of District No. 79 involving reorganization of County Sanitation Districts No. 7 and 13, both adopted by the Irvine Ranch Water District, and finds as follows:

- a) There are no new significant environmental effects that were not already addressed in the District 14 EIR, and no substantial increases in the severity of previously identified significant effects that require preparation of a subsequent EIR.
- b) In addition, no "new information of substantial importance" meeting the criteria of CEQA guidelines section 15162(a)(3) and 15164 has surfaced that would require preparation of a subsequent EIR.

Section 2. The proposal is approved subject to the following terms and conditions:

- a) Payment of Recorder and State Board of Equalizations fees.
- b) The applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or

ATTACHMENT C

proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any actions relating to or arising out of such approval.

- c) Recordation of the annexation is subject to receipt of a certified map and legal description.
- d) Assuming certification of the map and legal description for the subject annexation, the effective date shall be the July 1, 2006.

Section 3. The annexing area is found to be uninhabited, is within the County of Orange, and is assigned the following distinctive short-form designation: "Improvement District No. 1 (IRWD ID-253) to the Orange County Sanitation District" (DA 06-09).

Section 4. The Commission authorizes conducting authority proceedings be waived in accordance with Government Code Section 56663(c).

Section 5. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution as provided in Section 56882 of the Government Code.

AYES: _____

NOES: _____

STATE OF CALIFORNIA)
) SS.

COUNTY OF ORANGE)

I, ROBERT BOUER, Chair of the Local Agency Formation Commission of Orange County, California, hereby certify that the above and foregoing resolution was duly and regularly adopted by said Commission at a regular meeting thereof, held on the 10th day of May, 2006.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of May, 2006.

ROBERT BOUER
Chair of the Orange County

ATTACHMENT C

Local Agency Formation Commission

By: _____
Robert Bouer

DRAFT